



UNITED STATES ENVIRONMENTAL PROTECTION AGENCY
REGION IX – PACIFIC SOUTHWEST REGION
75 Hawthorne Street
San Francisco, CA 94105-3901

October 12, 2018

In Reply Refer To: ENF-3-1

Mr. Eric Campbell
Production Supervisor
Lost Coast Brewery
1600 Sunset Drive
Eureka, CA 95501

Re: Clean Water Act Pretreatment Inspection

Dear Mr. Campbell:

Enclosed is the report for our August 15, 2018 Pretreatment inspection of the Lost Coast Brewery facility at the above address in Eureka, CA.

By November 27, 2018, please submit a short response letter to the Areas of Concern section of this report.

Please send your letter to the attention of James Polek at EPA (and include the code "ENF-3-1" in the address above), with copies to the City of Eureka and to the North Coast Regional Water Quality Control Board.

In lieu of submitting the requested response by certified mail, Lost Coast Brewery may submit the response as portable document files (pdfs) via electronic mail.

We would like to thank you for your cooperation during the inspection. If you have any questions, please call James Polek at (415) 972-3185 or e-mail him at polek.jim@epa.gov.

Sincerely,

A handwritten signature in cursive script that reads "Michael Weiss".

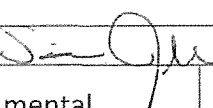

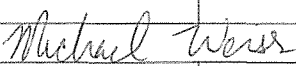
for Ken Greenberg
Manager, Water Section I
Enforcement Division

Enclosure

cc (w/enclosure by email):

David Adams, City of Eureka
Cathleen Goodwin, North Coast Regional Water Quality Control Board

**Region 9 Enforcement Division
75 Hawthorne Street
San Francisco, CA 94105
INSPECTION REPORT**

Inspection Date(s):	8/15/2018		Inspection Announced: No.
Time:	Entry: 4:08 p.m.		Exit: 6:10 p.m.
Media:	Water		
Regulatory Program(s)	NPDES – Industrial Pretreatment Program		
Company Name:	Lost Coast Brewery		
Facility Name:	Lost Coast Brewery		
Facility/Site Physical Location:	1600 Sunset Drive		
(city, state, zip code)	Eureka, CA 95501		
Geographic Coordinates (latitude, longitude):	40.766856, -124.190035		
Facility/Site Contact:	Eric Campbell		Production Supervisor
	ecampbell@lostcoast.com		
	707-445-4484		
Industrial User Permit No:	133		
Publicly Owned Treatment Works (POTW):	City of Eureka (City)		
POTW Permit Nos.:	Elk River Wastewater Treatment Plant (CA0024449)		
Facility/Site Personnel Participating in Inspection:			
Eric Campbell	Lost Coast Brewery	Production Supervisor	707-445-4484
Inspector(s):			
Sirese Jacobson (Lead Inspector and Report Author)	Signature: 		Date: 10/12/2018
	PG Environmental	EPA Contract Inspector	720-789-8044
Jim Polek	Signature: 		Date: 10/12/18
	US EPA Region 9 ENF-3-1	EPA Inspector	415-972-3185
EPA Supervisor:			
Ken Greenberg	Signature: 		10/12/18
	US EPA Region 9 ENF-3-1	EPA Manager	415-972-3577
Additional Persons Participating in Inspection:			
Cathleen Goodwin	California Water Boards, North Coast Region	Water Resource Control Engineer	707-576-2220
David Adams	City of Eureka	Source Control Inspector	707-441-4362

SECTION I – INTRODUCTION

Purpose of the Inspection

On August 15, 2018, Sirese Jacobson, an U.S. Environmental Protection Agency (EPA) Contract Inspector and Jim Polek, an EPA Compliance and Enforcement representative (hereinafter, collectively, inspection team), conducted a pretreatment inspection of the Lost Coast Brewery (hereinafter, facility or permittee). The purpose of the inspection was to evaluate compliance with the requirements of the *Federal Pretreatment Regulations at 40 CFR Part 403*, and the discharge permit (hereinafter, permit) issued to the facility by the City. The inspection consisted of conversations with facility personnel and an inspection of the facility's process area, wastewater generating processes, pretreatment system, and chemical storage areas.

The facility has been classified and permitted by the City as a non-categorical significant industrial user (SIU), subject to the federal requirements at 40 CFR Part 403. The facility's classification is due to the volume and characteristics of the wastewater generated and discharged from the facility to the publicly owned treatment works (POTW).

On January 30, 2018, EPA contractor inspector staff from PG Environmental performed a site visit at Lost Coast Brewery as part of a pretreatment compliance audit of the City of Eureka's pretreatment program. At the time of the site visit, the inspection team noted that the pH probes in Tank 1 and Tank 2 were inoperable. Part 1.A of the facility discharge permit states that the "permittee shall maintain all pretreatment equipment in proper working condition per manufacturers' specifications."

Based on the compliance, self-monitoring, and enforcement documentation provided by the City, the facility experienced a pH violation on May 10, 2018, for discharging wastewater with a pH of 4.8 to the City sewer. In response to the violation, the City issued a notice of violation (NOV) to the facility on May 16, 2018. The facility responded indicating that the violation was the result of malfunctioning pH probes and a lack of wastewater treatment. On May 30, 2018, the facility followed-up indicating that new pH probes in Tanks 1 and 2 of its pretreatment system were installed and calibrated. The pumps that regulate the amount of chemicals added to the tanks were also inspected and serviced.

In addition, the facility bypassed its pretreatment system on May 17, 2018, discharging solids to the City sewer. In response to this violation, the City issued an NOV to the facility on May 29, 2018. In its response to the NOV, the facility stated "[u]pon routine inspection of the breweries wastewater pH levels, it was discovered that tank 3's pH had dropped to an unacceptable level. In an attempt to gain capacity to allow tank 3's pH to be manually adjusted and after verifying that tank 2 had an acceptable pH reading. The bottom valve on tank 2 was opened allowing wastewater to bypass tank 3. Given that there is constant aeration applied to tank 2, it was

assumed that an accumulation of solids would not be an issue.” The facility also ensured that accumulated solids would be removed from Tanks 2 and 3 within the next 30 days and that the bottom valves would not be opened in the future to allow a bypass of accumulated solids. Furthermore, the facility indicated in the NOV response that its long-term plan to ensure adequate treatment of process wastewater includes installation of a solids separator.

Opening Conference

Upon arriving at the facility at 4:08 p.m. on August 15, 2018, the inspection team met the facility representative, Mr. Eric Campbell (Production Supervisor). The inspection team presented credentials, provided business cards, and informed the facility representative of the purpose and intent of the inspection.

The facility representative explained that the permittee manufactures and packages beer, mostly ales or pilsner style beers, and cider. The facility’s wastewater is generated primarily in the clean-in-place (CIP) processes, equipment washdowns, and boiler blowdown. The facility representative was not sure whether the boiler blowdown wastewater is directed to the facility’s pretreatment system.

The facility operates two shifts, between 5:00 a.m. and 12:00 a.m. Monday – Friday. The facility representative was not sure of the amount of process wastewater discharged to the City per day.

Facility Description

The facility is located northeast of the intersection of Highway 101 and Sunset Drive, in Eureka, California. The facility consists of a tasting room, offices, brewing area, warehouse and bottling/packaging area, pretreatment area, and chemical storage areas.

SECTION II – OBSERVATIONS

The inspection team began the site visit in the facility’s brewing area. The facility representative explained that the facility stores grain in silos outside the facility. A chain auger brings the grain into the mill to break up the grain. From the mill, the grain is pumped to the grist case. From the grist case, the grist is transferred to the mash kettle where hot water is added to break down the starches into sugars. The mash is pumped to the boil kettle onto the lauter tun, where the wort is separated from the grain. From the lauter tun the product is transferred to the whirlpool to further separate out wort and hops. Finally, the liquid is transferred to a fermentation tank where yeast is added to convert the wort into beer. The spent grain from the lauter tun is hauled offsite by a farmer for cattle feed.

The inspection team proceeded to the facility’s warehouse and bottling/packaging area. The facility packages its beer into bottles and cans. Labels are made offsite. The facility does not use

solvents in the addition of labels to the beer bottles. According to the facility representative, the sanitizing system for the bottling line is a closed-loop system.

The facility proceeded to the facility's main chemical storage area. The facility was storing chemicals in two areas. One was a gated room storing phosphoric acid, Optimizer B (a detergent), peracetic acid, Stomp sanitizer (acid sanitizer), and Storm (acid cleaner). Refer to Item 1 in the *Areas of Concern* section of this report for additional information. Chemical storage area #2 was under a roof adjacent to the facility's boiler area. The facility was storing Optimizer B, Cyclone, Sodium hydroxide, Typhoon II (alkaline cleaner), and Chemeen 330 (condensate corrosion inhibitor) in this area. Refer to Item 2 in the *Areas of Concern* section of this report for additional information.

Near chemical storage area #2, the inspection team observed three uninstalled fermentation tanks. According to the facility representative, the facility will install the fermentation tanks in the future, though a time had not yet been established. Refer to Item 3 in the *Areas of Concern* section of this report for additional information.

The inspection team proceeded to the outdoor fermentation tanks. The inspection team observed water on the ground flowing to drains underneath the fermentation tanks and to a storm drain. Refer to Item 4 in the *Areas of Concern* section of this report for additional information.

The inspection team proceeded to the facility's pretreatment system. The facility collects all wastewater in a wet well located outside the northeast corner of the building. From the wet well, wastewater is pumped into Tank 1 for aeration and pH adjustment (by addition of sodium hydroxide, if necessary). From Tank 1, wastewater is pumped into Tank 2 for additional aeration and pH adjustment (by addition of sodium hydroxide, if necessary). Following Tank 2, wastewater is pumped into Tank 3 where the pH is checked (pH adjustment does not occur in Tank 3). If the pH is out of range, wastewater can be recirculated into Tank 2. The facility has pH probes in each tank, which are calibrated every thirty days. These probes were in working condition at the time of the August 15, 2018 inspection. Refer to Items 5 and 6 in the *Areas of Concern* section of this report for additional information.

The inspection team proceeded to a storage area along the eastern side of the building. The facility was storing empty drums. However, one intermediate bulk container (IBC) tote was full and was labeled "Stomp Sanitizer". Refer to Item 7 in the *Areas of Concern* section of this report for additional information.

The inspection team proceeded to the facility's laboratory to review the facility's pH calibration and log sheets. Refer to Item 8 in the *Areas of Concern* section of this report for additional information. Finally, the inspection team proceeded to the facility's sampling location at the southwest corner of the property, adjacent to Sunset Drive.

SECTION III – AREAS OF CONCERN

The inspection team held a closing conference with the facility representatives at the conclusion of the inspection that included a review of the preliminary inspection observations and areas of concern. The presentation of areas of concern listed below does not constitute a formal compliance determination:

1. The facility was lacking secondary containment in the facility's main chemical storage area. Secondary containment was not observed for phosphoric acid and Stomp Sanitizer drums (Photograph 1 and 2). In addition, the surface of the secondary containment pallet underneath a peracetic acid and phosphoric acid drum was not intact and the phosphoric acid drum was not fully contained on the pallet (Photographs 3 and 4). It is recommended that the facility place chemicals drums in secondary containment to prevent discharge of chemicals to a floor drain or a storm drain.
2. The facility was lacking secondary containment in chemical storage area #2. Secondary containment was not observed for IBC totes of sodium hydroxide and Typhoon II, drums of Optimizer B, drums of Cyclone, and drums of Chemeen 330 (Photographs 5-7). In addition, chemicals drums were observed without secondary containment nearby, adjacent to the facility's boiler system (Photograph 8). It is recommended that the facility place all chemical drums in secondary containment to prevent a discharge of chemicals to a floor drain or a storm drain.
3. The inspection team observed three uninstalled fermentation tanks (Photograph 9) near chemical storage area #2. According to the facility representative, the facility plans to install the fermentation tanks in the future, though a time had not yet been established. The federal regulations at 40 CFR 403.12(j) require SIUs to "...notify the Control Authority ... in advance of any substantial change in the volume or character of pollutants in their Discharge..." Therefore, the facility is required to notify the City prior to installation of these fermentation tanks and any subsequent changes to its process wastewater discharge.
4. Water was observed near the outdoor fermentation tanks. According to the facility representative, an employee washed down the area around one of the fermentation tanks where the facility is producing cider. The water was observed around drains located directly under the fermentation tanks (Photographs 10 and 11). According to the facility representative, these drains direct flow to the pretreatment system. Due to the location of these drains it appears that they may capture stormwater. Part 3.B.11 of the facility's discharge permit prohibits the discharge of, "[s]tormwater, surface water, ground water, artisan well water, roof runoff, subsurface drainage, swimming pool drainage,

condensate, deionized water, noncontact cooling water, and unpolluted industrial wastewater, unless specifically authorized in writing by the City Manager.” The facility is required to ensure that it does not discharge stormwater to the City’s sanitary sewer.

Furthermore, this water was also observed flowing into a nearby storm drain (Photograph 12). Subsection 54.040.A of the City of Eureka’s Stormwater Ordinance (Ordinance No. 705 -C.S) states “No person shall discharge or cause to be discharged into the storm drainage facilities or watercourses any materials, including but not limited to pollutants or waters containing any pollutants that cause or contribute to a violation of applicable water quality standards, other than storm water.” The facility is required to prevent wastewater from flowing to storm drains.

5. The facility bypassed its pretreatment system on May 17, 2018 by discharging a slug of solids to the City sewer. The facility representative explained that the facility’s pretreatment system does not currently include solids separation. Solids may settle out at the bottom of Tank 2 and, if the valve is opened, has the potential to discharge to the City sewer. Part 3.B.12 of the facility’s discharge permit prohibits the discharge of “[a]ny sludges, screenings, or other residues from the pretreatment of industrial wastes including but not limited to spent grains, or yeast.” The facility is required to operate its pretreatment system to prevent the discharge of solids to the City sewer. It is recommended that the facility follow-through with its proposed plan to install a solids separation device upstream of the three pretreatment tanks, as noted in Section I of this report.
6. The facility’s pretreatment consists of three metal tanks outside the northeast side of the building. However, the inspection team observed that there is no secondary containment surrounding the tanks (Photographs 13 and 14). Furthermore, an IBC tote of sodium hydroxide was observed between Tanks 2 and 3 and a white stain in the facility driveway suggested a previous spill of sodium hydroxide (Photographs 14 and 15). It is recommended that the facility install secondary containment around the three pretreatment tanks and the sodium hydroxide tote.
7. Along the east side of the building the facility had a collection of empty drums and totes. One IBC tote was labeled “Stomp Sanitizer” (Photograph 16); however, according to the facility representative, the tote contained spent yeast that was ready to be hauled offsite. It is recommended that the facility relabel the tote to accurately identify the contents of the tote.

8. According to the facility representative, the facility calibrates its pH probes every thirty days. It is recommended that the facility ensure that it is calibrating its pH probes according to the manufacturer specifications. In addition, the facility representative could not locate its pH buffers at the time of the inspection. It is recommended that the facility representative ensure that all pH buffers are not expired.

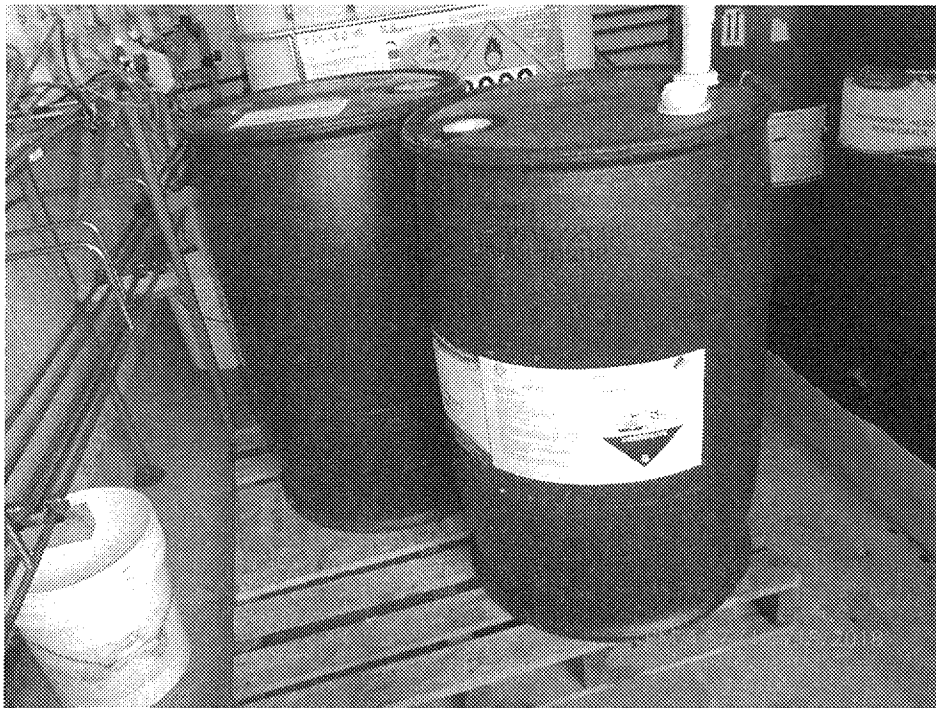
SECTION IV – DOCUMENTS REQUESTED AFTER THE INSPECTION

No additional documentation was requested from the facility following the inspection.

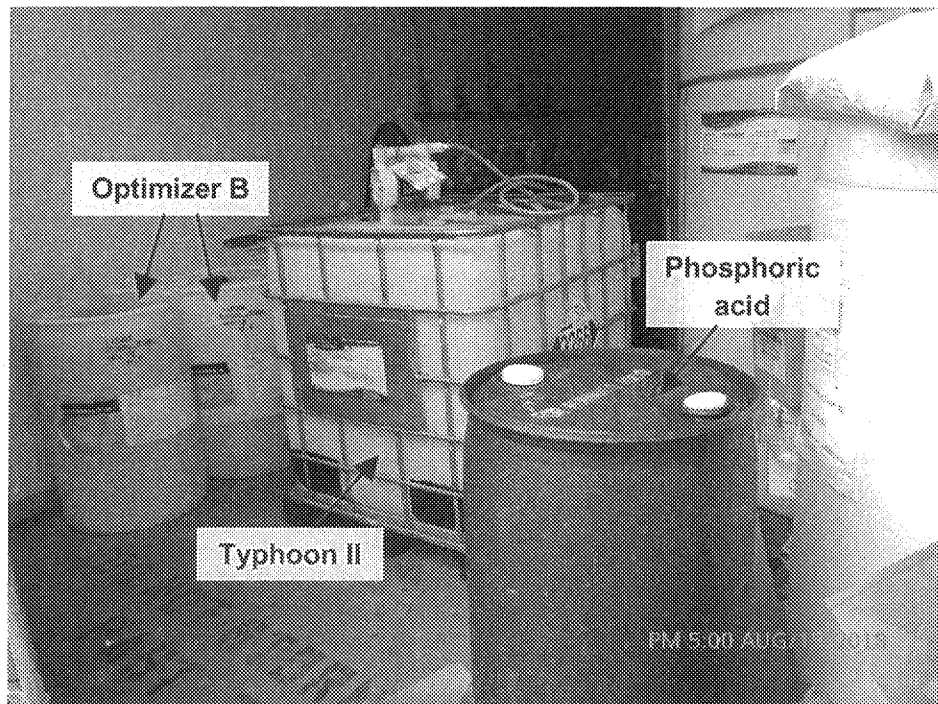
SECTION V – LIST OF APPENDICES

Photograph Log

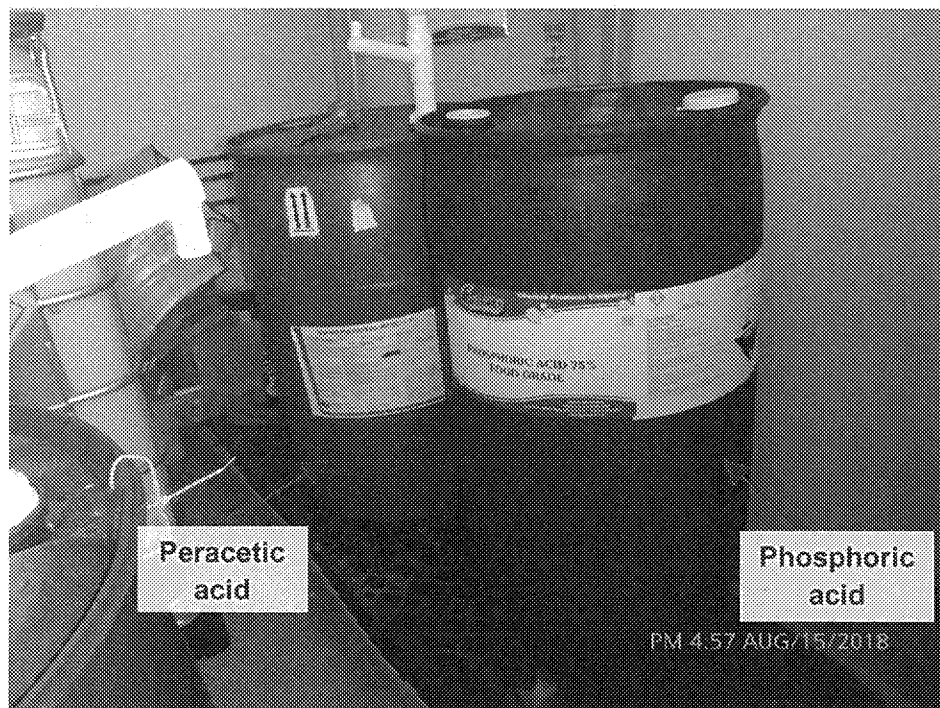
Exhibit Log



Photograph 1. View of two phosphoric acid drums in the main chemical storage area. Note the lack of secondary containment.



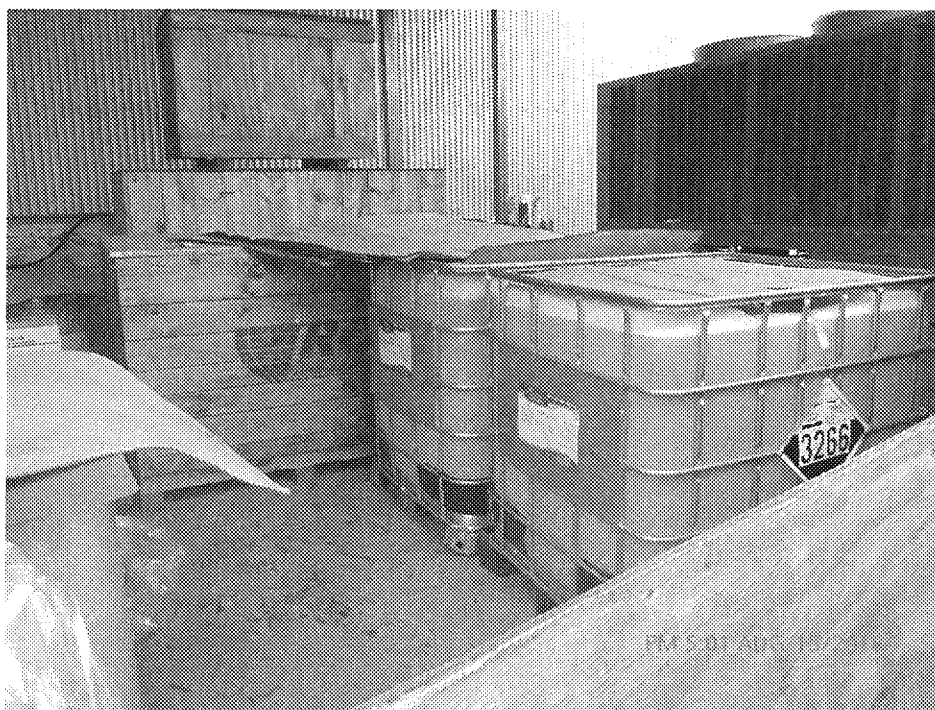
Photograph 2. View of the main chemical storage area. Note the lack of secondary containment for the IBC tote of Typhoon II (an alkaline cleaner), the drum of phosphoric acid, and the drums of Optimizer B.



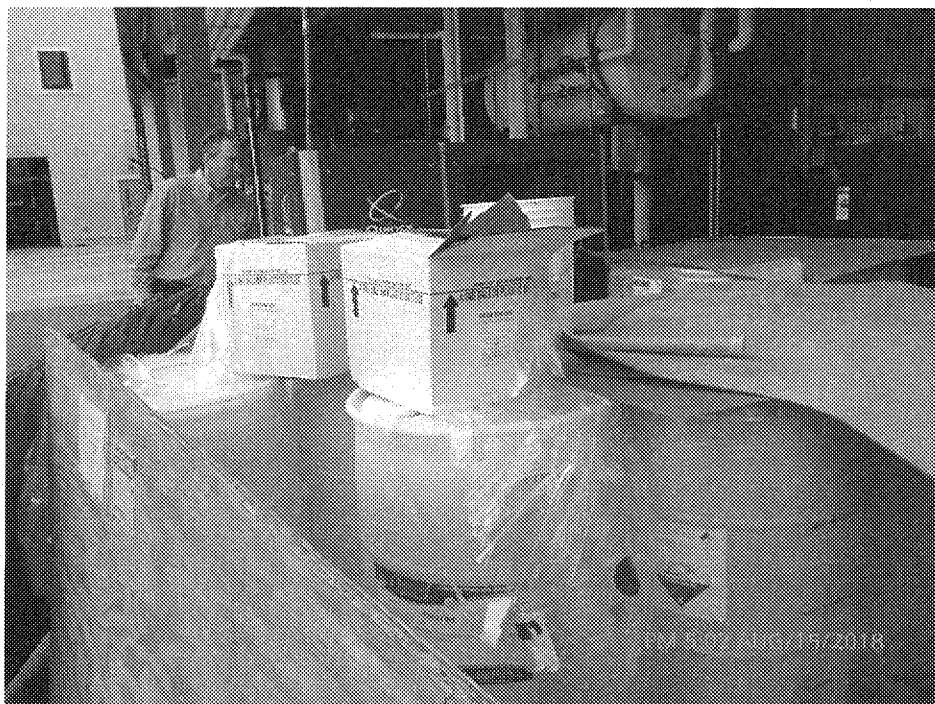
Photograph 3. View of a drum of phosphoric acid and a drum of peracetic acid.



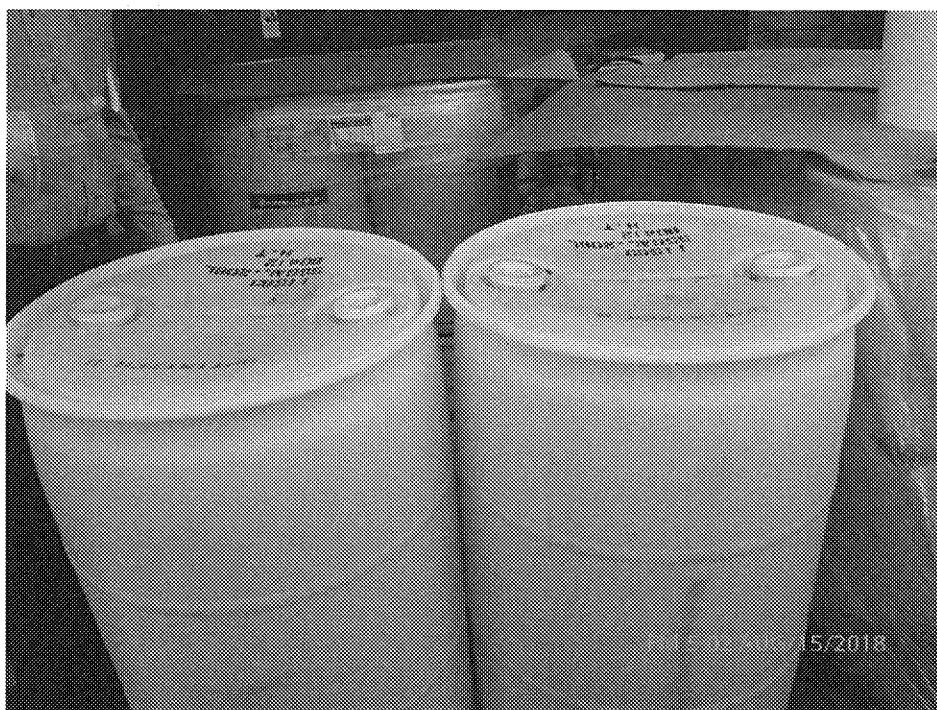
Photograph 4. View of the chemical drums and the secondary containment pallet shown in Photograph 3. Note the condition of the secondary containment pallet and that the nearest blue drum is not fully within secondary containment.



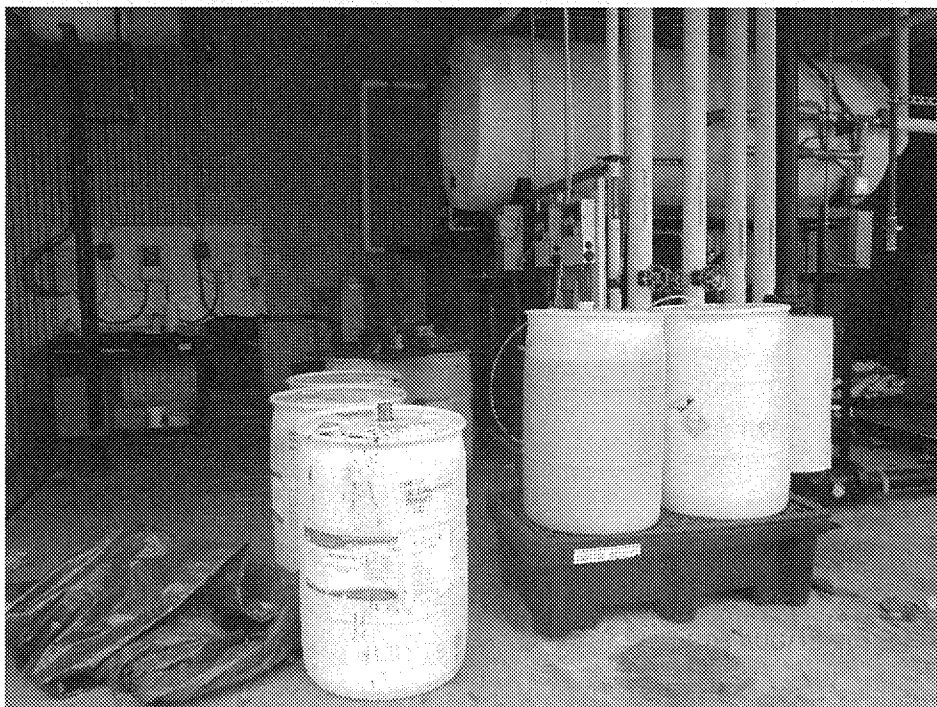
Photograph 5. View of chemical storage area #2. Note the lack of secondary containment for the IBC totes of sodium hydroxide and Typhoon II (an alkaline cleanser).



Photograph 6. View of chemical storage area #2 shown in Photographs 5 and 7. This photo shows the area referenced in Item 2 in the *Areas of Concern* section of this report.



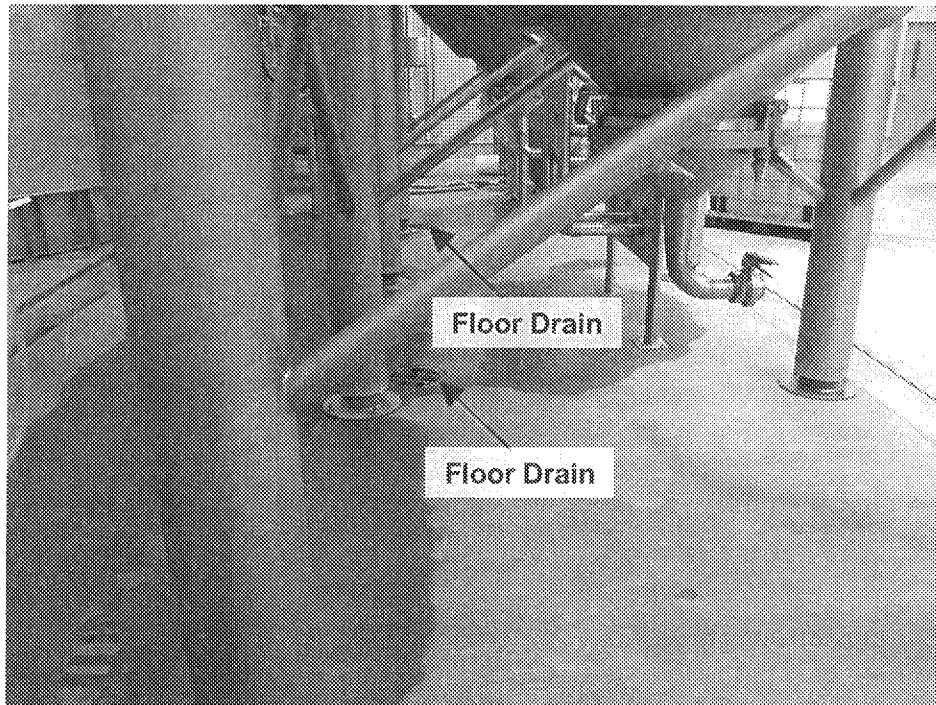
Photograph 7. View of chemical storage area #2 shown in Photographs 5 and 6. This photo shows the area referenced in Item 2 in the *Areas of Concern* section of this report.



Photograph 8. View of the chemical storage drums stored near the facility's boiler. Note the lack of secondary containment.



Photograph 9. View of three fermentation tanks that the facility plans to install in the future.



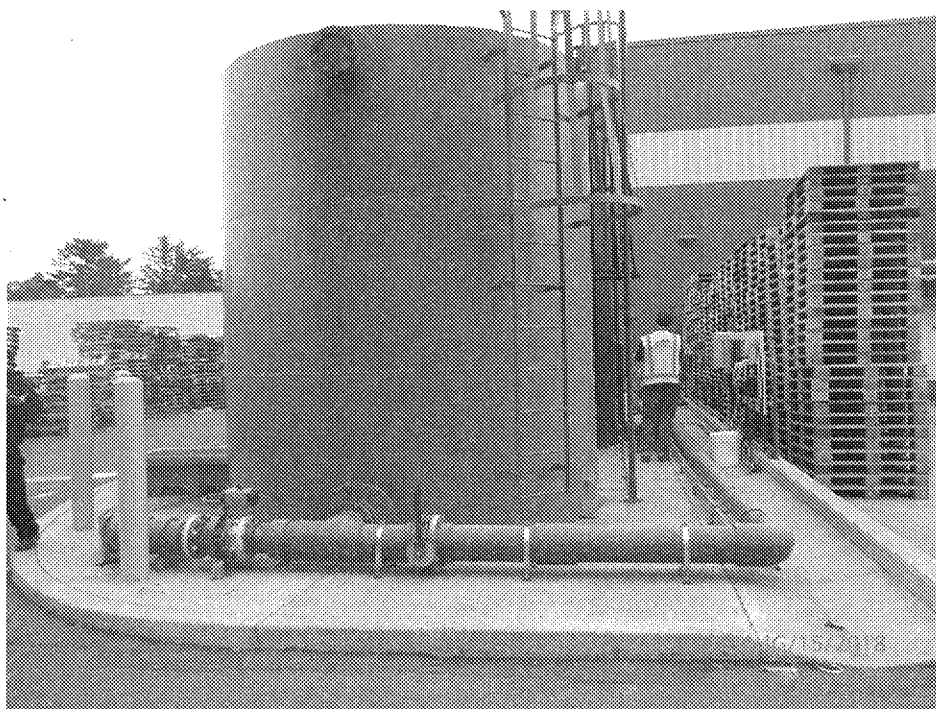
Photograph 10. View of fermentation tanks located outside the facility's indoor brewing area. Water was observed on the ground underneath the tanks. The drains direct wastewater to the facility's pretreatment system.



Photograph 11. Another view of the outdoor fermentation tanks and drains that direct flow to the facility's pretreatment system.



Photograph 12. View of the water shown in Photographs 10 and 11 flowing into a storm drain.



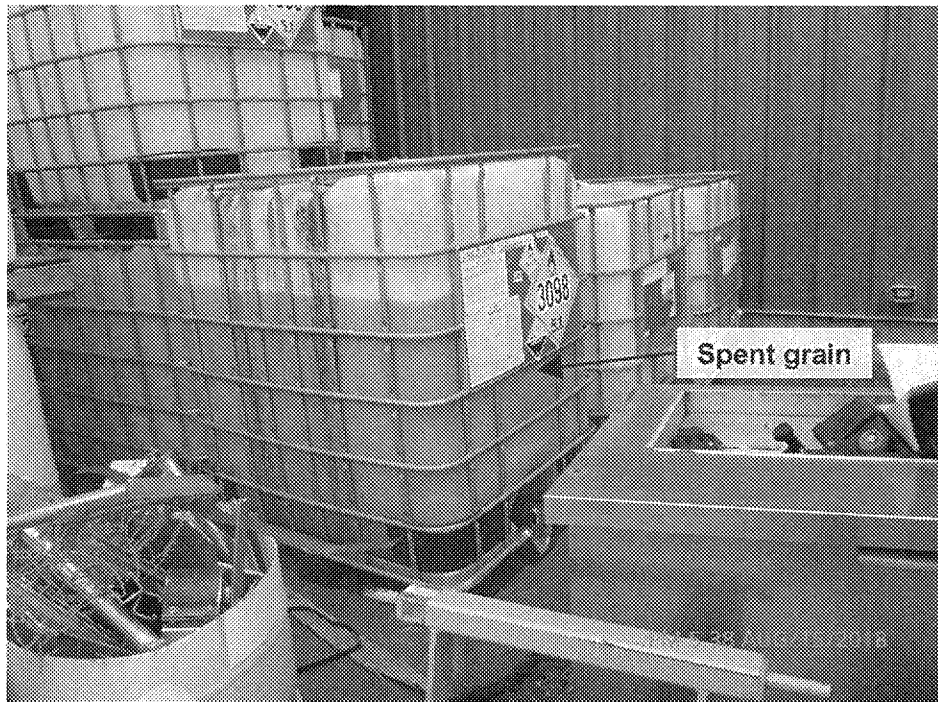
Photograph 13. View of Tank 3 of the facility's pretreatment system. Note the lack of secondary containment around the pretreatment tanks.



Photograph 14. View of the facility's three pretreatment tanks. Note the lack of secondary containment around the tanks and the white stain of sodium hydroxide from a spill from the IBC tote shown in Photograph 15.



Photograph 15. View of an IBC tote of sodium hydroxide, located between tanks 2 and 3 of the facility's pretreatment system.



Photograph 16. View of an IBC tote labeled as "Stomp Sanitizer". According to the facility representative, the tote contains spent yeast.

